

32 Members of Congress join call for increased FCC and DoJ scrutiny of agreements between Verizon Wireless and nation's 4 largest cable companies

WASHINGTON – Representatives Louise M. Slaughter (NY-28), Jerrold Nadler (NY-8) today issued a letter to FCC Chairman Julius Genachowski and U.S. Attorney General Eric Holder calling for increased scrutiny of proposed agreements between Verizon Wireless and the nation's four largest cable operators – Comcast, Time Warner Cable, Cox Communications and Bright House Networks. The agreements involve joint marketing relationships between Verizon and each of the four operators, as well as Verizon's purchase of wireless spectrum. The agreements appear to be in violation of important provisions of the Telecommunications Act of 1996, which was designed to expand competition, encourage technological innovation and spur the creation of American jobs.

"When Congress passed the 1996 Telecommunications Act, consumers were promised the benefits of increased competition between cable and phone companies, driving investment in broadband networks, creating jobs, enabling new and improved services and applications, and lower prices," the letter states. "But the Agreement between Verizon Wireless and the leading cable companies appears to renege on that promise, turning formerly energetic competitors into business partners. The joint marketing agreements appear to limit the availability of competitive services in video, broadband, voice and wireless markets. This could lead to reduced investment in infrastructure, job loss, fewer choices and ultimately higher prices for consumers."

"It is inconceivable that, at a time when American families are struggling and we are looking for new ways to create jobs, the proposed agreements could actually result in increased prices for broadband access and suppress the creation of jobs," said Slaughter. "These agreements clearly violate the spirit and intent of the Telecommunications Act of 1996 and are a direct affront to the millions of American families who receive services from these corporations, as well as the many employees who have worked to make these businesses successful."

"The arrangement between Verizon and the major cable companies raises serious concerns for consumers and workers," said Rep. Nadler. "By joining forces, these companies may be undermining competition and threatening consumers' ability to receive better services and lower prices. And, especially during a period of high unemployment, we should be careful about deals like this that could cost jobs. I expect the FCC and DOJ are conducting a thorough review of this arrangement to ensure that consumers and workers are protected."

The letter, which is co-signed by a total of 32 U.S. Representatives, calls for the FCC and Department of Justice to review the proposed agreements with an emphasis on protecting public interest.

"...As our nation continues to emerge from a period of high unemployment, a transaction that would reduce investment in competing networks will eliminate thousands of good, middle-class jobs that would otherwise be needed to build, maintain, service and sell those network services as well as manufacture the equipment and fiber necessary to deploy competing networks. We are aware that many voices have raised questions about the proposed transaction, including mayors and elected leaders from nine upstate New York cities, Boston and Baltimore, as well as consumer, labor, civil rights and other public interest organizations. The Verizon/cable transaction raises serious concerns for competition and consumers....we strongly urge you to protect the public interest in cross-platform competition driving lower prices and higher quality services, and to ensure that all Americans have access to the most advanced technologies and services."

[View the letter in its entirety here.](#)